EXHIBIT 201

Monsanto Soda Springs Plant Curtailment History

Year	Total Curtailment (kWh)	System Curtailment (kWh)	Economic Curtailment (kWh)	Premium paid above contract price ($)	Operating Reserve Curtailment (kWh)
1986	329,963	259,963	70,000	$ 390	
1987	7,481,460	1,297,368	6,184,092	$ 31,435	
1988	109,238,360	973,113	108,265,247	$ 622,100	
1989	98,853,300	705,000	98,148,300	$ 923,368	
1990	18,992,250	787,250	18,205,000	$ 145,085	
1991	16,815,080	791,080	16,024,000	$ 102,636	
1992	138,074,680	459,680	137,615,000	$ 700,755	
1993	148,072,620	4,381,620	143,691,000	$ 801,032	
1994	100,580,820	2,951,820	97,629,000	$ 401,983	
1995 *	5,687,780	37,780	5,650,000	$ 4,140	
1996	0	0			
1997	0	0			
1998	49,940	49,940			
1999	37,010	37,010			
2000 **	1,864,967	219,483			1,645,483
2001 **	2,268,120	0			2,268,120
YTD 2002 **	73,816	0			73,816

Note
* 1995 Contract eliminated economic curtailment (Nov.1 1995)
** Signed additional Operating Reserve curtailment contracts

System Curtailment is defined as interruptions needed to maintain the integrity of the electrical grid. (No power is available due to system problems)

Economic Curtailment is defined as interruptions that occur when the price of power reaches a pre-defined (trigger) price. (Power is available at a higher price)

Premium is defined as the difference between the contract rate and the actual market price paid to buy through the curtailment.

Operating Reserve purchased by PacifiCorp in 2000, 2001, and 2002 persuant to short term agreements.

Monsanto Power Curtailments by month

Years 1992 - 2002 YTD

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
January	0	1308	159	27	0	0	0	0	0	2	2
February	0	949	173	0	0	0	0	0	0	7	0
March	0	496	0	0	0	0	0	0	1	4	0
April	84	0	30	0	0	0	0	3	4	0	0
May	1017	0	459	0	0	0	1	0	9	8	0
June	363	170	315	0	0	0	2	0	7	12	0
July	299	14	826	0	0	0	0	0	7	7	0
August	558	174	951	164	0	0	0	0	3	5	
September	457	33	159	15	0	0	0	0	3	0	
October	444	312	36	0	0	0	0	0	0	3	
November	155	786	438	0	0	0	0	0	4	3	
December	847	1068	332	0	0	0	0	0	4	5	
Total	4224	5310	3878	206	0	0	3	3	42	56	2

Note. (1) One curtailment = 1 furnace interrupted for up to 1 hour

(2) 1995 contract eliminated ecconomic curtailment Nov. 1, 1995

(3) 2001-2002 curtaiment pursuant to short -term Operating Reserve Agreements

EXHIBIT 202

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Attorneys for PacifiCorp dba Utah Power & Light Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of PacifiCorp, dba Utah Power & Light Company for Approval of an Electric Service Contract with Monsanto Company.	)	CASE NO. UPL-E-95-4 APPLICATION OF PACIFICORP

This Application is filed by PacifiCorp dba Utah Power & Light Company (Utah Power or the Company) for approval of a Power Supply Agreement with Monsanto Company (Monsanto) dated November 1, 1995 (New Agreement). The New Agreement replaces a Power Supply Agreement with Monsanto dated July 3, 1991 (Existing Agreement).

1. Utah Power is a public utility doing business in the state of Idaho and subject to the jurisdiction of the Idaho Public Utilities Commission (Commission).

2. Monsanto is a Delaware corporation qualified to do business in the state of Idaho. Monsanto operates an elemental phosphorus plant near the City of Soda Springs in Caribou County, Idaho. The electric power requirements of the plant have been supplied by Utah Power since 1952.

PDX3-127247

3. Communications regarding this Application should be addressed to:

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4. Attached to this Application are a copy of the New Agreement between Monsanto and Utah Power and a Technical Assessment Package that describes in greater detail the terms and conditions of the New Agreement, the alternatives available to Monsanto, and the benefits of the New Agreement to Utah Power's other customers.

5. The Existing Agreement governing electric service to Monsanto's Soda Springs plant was effective July 1, 1992, and continues for a five-year period ending June 30, 1997. It provides for 9 megawatts of firm demand, 154 megawatts of interruptible demand, excess interruptible demand above 163 megawatts, and all associated energy. The Existing Contract includes four price increases over the five-year term, with one increase remaining to take effect on July 1, 1996.

6. Utah Power and Monsanto initiated discussions of a new power supply agreement in response to recent changes in

electric power markets. Wholesale prices in the western United States have declined significantly due to excess supplies and increasing competition. At the same time, the interruptible power rates under Monsanto's Existing Agreement with Utah Power have increased 21 percent since 1991 and are scheduled to increase another 4 percent on July 1, 1996.

7. Utah Power has determined that Monsanto has viable alternatives to continuing its current level of electricity purchases. First, Monsanto could shift its electricity purchases to the Soda Springs Municipal Electric Light & Power Department (Soda Springs Municipal), displacing all of its purchases from Utah Power. Soda Springs Municipal could purchase power at current wholesale prices from any of the many utilities and power marketers active in the wholesale power market. This power could be resold to Monsanto with a small service charge or mark-up to cover Soda Springs Municipal's costs.

Second, Monsanto could displace much of its elemental phosphorus production at Soda Springs with a product produced from a purified wet acid (PWA) chemical process. Plants incorporating PWA technology have been built in the southeastern United States and in other countries, and Monsanto is a major partner in an operating PWA plant in Brazil. Utah Power has determined that all but approximately 45 megawatts of Monsanto's electrical load could be displaced in this fashion.

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8. The New Agreement for service to Monsanto's plant replaces and extends the Existing Agreement. The New Agreement, which is subject to the Commission's approval, is effective from November 1, 1995 until December 31, 2001. It will continue from year to year thereafter subject to one year's notice of termination.

Under the New Agreement, Utah Power will supply Monsanto with 9 megawatts of firm power and up to 206 megawatts of interruptible power. Utah Power may interrupt or curtail service to Monsanto at any time to maintain its system integrity.

Monsanto will pay Utah Power $30 million for the early termination of the Existing Agreement, a monthly minimum charge of $66,600, and 1.85 cents per kilowatt-hour for all energy delivered. The schedule for payment of the $30 million varies depending on when the Commission approves the New Agreement. If the Commission approves the New Agreement on or before December 14, 1995, Monsanto is required to pay the full $30 million on December 28, 1995. Otherwise, Monsanto must pay Utah Power $7.5 million on December 28, 1995 and the remaining $22.5 million within 10 days after the Commission's approval.

9. The New Agreement provides substantial benefits to Utah Power's other customers. Monsanto is the Company's single largest customer, contributing over 28 percent of all retail revenues from all customer classes in Idaho. Revenues from Monsanto contribute to Utah Power's recovery of fixed costs,

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which allows the Company to charge lower prices to its other customers.

The Technical Assessment Package compares Monsanto's net contributions to fixed costs under the New Agreement with its net contributions to fixed costs under two alternative cases: (1) Monsanto's purchase of power from third parties, through Soda Springs Municipal; and (2) Monsanto's transfer of production to PWA plants, reducing purchases from Utah Power to approximately 45 megawatts. This comparison shows the following ranges for contribution to fixed costs over the term of the New Agreement:

New Agreement	\$25 million - \$100 million
Alternative 1	\$16 million - \$32 million
Alternative 2	\$21 million - \$49 million

The greater contributions to fixed costs under the New Agreement will serve to reduce the revenue requirement that would otherwise be borne by Utah Power's other customers.

10. The New Agreement will provide additional benefits beyond the increase in contributions to fixed costs. The \$30 million up-front payment will fully compensate for the termination of the Existing Agreement. This up-front payment and the lower energy charge will stabilize the Monsanto load by allowing Monsanto to make energy and production decisions on the basis of an incremental cost of electricity at Soda Springs of 1.85 cents per kilowatt-hour.

11. The New Agreement provides that it will be effective as of November 1, 1995 subject to approval by the Commission.

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If the Commission does not approve the New Agreement by January 15, 1996, the New Agreement will terminate and Utah Power will refund any portion of the $30 million paid by Monsanto. Service will continue to be provided under the Existing Agreement and Monsanto will pursue its other alternatives.

12. Utah Power does not seek a determination at this time on the ratemaking treatment applicable to Monsanto's $30 million payment or the other rates and charges under the New Agreement. The Company requests that all ratemaking issues be reserved for a rate case.

13. In order to meet the January 15, 1996 date for Commission approval of the New Agreement, Utah Power requests that this application be processed under Modified Procedure pursuant to RP 201-204. Modified Procedure is appropriate because an evaluation of the economic effects of the New Agreement and the alternatives available to Monsanto can be undertaken without a hearing, and there are no other Utah Power customers in the state of Idaho that purchase power in the amounts and under circumstances substantially similar to Monsanto's. Written comments by interested parties should be sufficient for purposes of the Commission's review, particularly because Utah Power is not seeking any ratemaking determinations.

WHEREFORE, Utah Power respectfully requests that the Commission process this Application under Modified Procedure

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and approve the new Power Supply Agreement dated November 1, 1995 for service to Monsanto's Soda Springs plant.

Dated: November 8, 1995

Respectfully submitted,

STOEL RIVES

By James F. Fell
James F. Fell
Of Attorneys for PacifiCorp,
dba Utah Power & Light Company

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EXHIBIT 203

Technical Assessment Package for Power Supply Agreement between Monsanto Company and PacifiCorp November 1995

Section 1: Introduction

This Technical Assessment Package analyzes the new Power Supply Agreement (New Agreement) between Monsanto Company (Monsanto, or the Customer) and PacifiCorp (PacifiCorp, or the Company) dated November 1, 1995. The package will describe the New Agreement and how it benefits the Customer, PacifiCorp and other customers.

Section 2: Customer's Business Profile

Monsanto Company is a major world-wide chemical company and a leading elemental phosphorus manufacturer in North America. The Customer's Soda Springs, Idaho, facility has shared a business relationship with Utah Power & Light Co. since 1952.

The elemental phosphorus industry has been declining, with several firms exiting the business in recent years. As a result, the Soda Springs plant is one of only two such facilities remaining in operation in the United States after the end of 1995. The other U.S. plant is the FMC plant, located in Pocatello, Idaho.

Power costs are of extreme importance to the Customer. Indeed, at about one-third of total production cost, electricity is the single most important cost in the Customer's manufacturing process. Monsanto has demonstrated its price sensitivity by shutting down a furnace in lieu of purchasing higher-cost replacement power after its service has been interrupted. In its quest to remain a low-cost producer, Monsanto has identified several alternatives to its current power supply contract with PacifiCorp which expires in 1997. These alternatives include:

- the New Agreement with PacifiCorp
- low-priced power supply from alternative suppliers purchased through the Soda Springs municipal utility
- substantially reduced production at Soda Springs facility with the bulk of that plant's output being shifted to a less electricity intensive manufacturing process

All of these options will be discussed in detail in this Technical Assessment Package.

Section 3: Current Service from PacifiCorp

On July 3, 1991, Monsanto and PacifiCorp signed a five year Power Supply Agreement to take effect July 1, 1992 and continue until June 30, 1997. This contract provided for 9 megawatts of firm demand, 154 MW of interruptible demand, excess interruptible demand above 163 MW and all energy associated with Monsanto's demand levels. In the event of interruptions, the Customer had the right to buy replacement energy at the Company's cost. The remaining term of this contract is approximately 20 months.

Pricing. Prices for the firm demand and firm energy components of the contract were fixed throughout the contract's term. For interruptible power and energy, the contract included built-in escalators that increased prices four times over the five year contract term. Three of the increases have already occurred; the remaining one would have taken effect on July 1, 1996. Since the current contract began, prices to Monsanto have thus escalated significantly. Under the current contract, Monsanto's interruptible power rates have increased 21% to date and are scheduled to increase another 4% on July 1, 1996.

Section 4: Competition and Power Markets

Significant changes now underway in the electric utility industry are resulting in excess energy supplies, more competition (especially for large customers) and lower prices. In fact, less than three years ago prices on the spot energy market exceeded 30 mills; for most of 1995, wholesale prices had fallen below 20 mills. Electricity has become a commodity that is differentiated primarily by price.

PacifiCorp and Monsanto have cooperated previously in replacing agreements to better reflect business conditions. A contract signed in 1987 was scheduled to be in effect through June 30, 1993, but was replaced by the current agreement that became effective on July 1, 1992. The Idaho Public Utilities Commission (IPUC) approved this current agreement in March 1992.

Section 5: Description of New Agreement

The New Agreement -- signed by Monsanto and PacifiCorp on November 1, 1995 and subject to approval by the IPUC -- is designed to replace the current power supply contract while extending the period of retail service to the Customer through December 31, 2001. After December 31, 2001, the New Agreement would be renewed annually until either party gives a termination notice one year in advance. The New Agreement would become effective November 1, 1995.

Demand and energy. Firm demand is 9 MW, while interruptible demand increases from current contract levels to up to 206 MW. All energy is priced at 1.85 cents per kilowatt-hour (subject to a monthly minimum charge of $66,600). Energy usage is projected to increase during the New Agreement. The Agreement allows for approximately 1,656,000,000 kilowatt-hours annually. PacifiCorp may interrupt or curtail service to Monsanto at any time to maintain PacifiCorp's system integrity.

Termination charge. The current contract between PacifiCorp and Monsanto expires June 30, 1997. In exchange for the early termination of that contract and to satisfy all obligations under it, Monsanto will pay PacifiCorp $30 million. If the IPUC approves the New Agreement on or before December 14, 1995, the full $30 million will be paid to PacifiCorp on December 28, 1995. Otherwise, PacifiCorp will receive $7.5 million on December 28, 1995, with the balance paid within ten days of Commission approval. If the New Agreement is not approved by January 15, 1996, service will revert to the current contract, PacifiCorp will refund the $7.5 million payment and Monsanto will begin pursuing other alternatives.

Section 6: Customer Alternatives

Besides the New Agreement, Monsanto has identified other options for reducing its energy costs, including:

Annexation by municipal utility. The Soda Springs Municipal Electric Light & Power Department (Soda Springs Municipal) is a fully functioning utility that could easily acquire additional supply and serve the Customer's facility. Low-priced wholesale power at economics comparable to the New Agreement could be provided by other regional utilities and power marketers such as Illinova and Enron. This option is the more likely of the two discussed here.

Different manufacturing process. At the Soda Springs facility, the manufacture of elemental phosphorus is electricity intensive. However, about 70 percent of the market served by elemental phosphorus from Monsanto's Soda Springs plant can also be served with the product of a chemical process called purified wet acid (PWA). Plants incorporating PWA technology have been built in the southeast United States as well as in several other countries. Monsanto itself is a major partner in a purified wet acid plant operating in Brazil. Monsanto is also evaluating the modification of one of its downstream plants which uses phosphorus to accept PWA material rather than elemental phosphorus. In order to remain competitive with PWA technology, and also to retain its share of the elemental phosphorus market, Monsanto requires the lowest possible electricity prices.

Customer's demand currently averages about 175 MW per month. If the bulk of production were transferred to a PWA plant, the Soda Springs facility would require approximately 45 MW. At this level, sufficient elemental phosphorus would be produced to meet demand in the market segment that cannot be served by the PWA product.

Section 7: Economic Impacts

Should the New Agreement not be approved, the negative economic impacts on PacifiCorp and the local economy would be significant. Following is a detailed analysis of those impacts assuming service is provided by another supplier or production is transferred to a PWA plant:

Alternative Scenario 1: Municipalization at Expiration of Current Agreement. If another supplier, through Soda Springs Municipal, secured a contract to serve the Customer, PacifiCorp would completely lose all electric revenues from the Customer. For the 12 months ending September 1995, revenues from Monsanto exceeded $30 million on over 1.3 million kilowatt-hours sold.

Monsanto is the Company's single largest retail customer. Losing the contract to serve Monsanto would eliminate the contributions this Customer makes to the Company's fixed costs which provide a credit against retail jurisdictions' revenue requirements. Four percent of the Monsanto credit against revenue requirement is allocated to the Idaho service territory. In the absence of Monsanto's contributions, the revenue requirement to be borne by the Company's other customers would increase correspondingly. This alternative is the more likely of the two alternatives presented here.

Alternative Scenario 2: Production transfer to purified wet acid technology. If Monsanto decided to mitigate the effect of electricity costs by shifting production from Soda Springs to a PWA plant, a considerable number of jobs would be lost in Idaho. Currently, Monsanto employs approximately 400 full-time employees at the Soda Springs facility. The Customer estimates the plant would support no more than approximately 200 jobs if most production was shifted to PWA. It is also estimated that for every direct job lost at the Soda Springs facility, three additional jobs would be lost in industries which support the plant's operation and in the population of supporting businesses in Caribou and surrounding counties.

In addition to the job losses, a majority of the revenues and contribution to fixed costs provided by Monsanto would also disappear. If 75 percent of Monsanto's revenues evaporated, revenues from the customer would decline from over $30 million to about $9 million. Likewise, contribution to fixed costs would drop substantially.

Section 8: Revenue and Cost Comparisons

Revenues under current contract. As shown in Exhibit 1, Column 4, Lines 13-15, PacifiCorp would collect approximately $53.3 million in sales revenues from Monsanto over the remainder of the current contract (November 1, 1995 through June 30, 1997). The present value of this revenue stream is $47.2 million (Column 4, Line 21). The revenue figures incorporate a price increase on July 1, 1996 (Column 3, Line 14) as well as projected kWh usage of 1,250,000,000 annually through June 30, 1997. The projected kWh usage is based on historical usage and customer discussions. These usage figures probably overstate Monsanto's consumption under the current prices since, in the absence of the New Agreement, Monsanto would be actively seeking alternative lower-cost supplies of electricity.

Revenues under New Agreement. Exhibit 1 indicates PacifiCorp would collect revenues of $212 million over the six-year, two-month contract life of the New Agreement (Column 4, Lines 1- 9), which has a present value of $162.5 million (Column 4, Line 10). Total revenues include approximately $182 million for ongoing electrical service plus the $30 million up-front payment for termination of the existing contract. The $30 million payment is a unique feature of the New Agreement and signifies an important commitment to PacifiCorp by the customer.

The New Agreement involves lower risk for other customers and the Company. This is due to the $30 million up-front payment, which represents a significant investment in the Soda Springs facility and the economic health of Caribou County and surrounding counties. From the Customer's standpoint, incremental production decisions at the Customer's facility would be made on the basis of 1.85-cent electricity. This provides the customer with the economics it needs to defend its phosphorus business against PWA.

Contribution to Fixed Costs. Exhibits 1, 2, and 3 present three comparisons which establish a reasonable range for estimating the contribution to fixed costs of the three customer alternatives. The Company has incorporated assumptions regarding future customer consumption under the three alternatives.

Exhibit 1 presents a comparison using embedded net production costs. Since PacifiCorp has served Monsanto for over forty years, no incremental resources need to be acquired to continue serving the Customer. The Company presents this analysis as an upper bound for contribution to fixed costs. The Net Production Cost analysis indicates that the New Agreement would contribute, in present value terms, approximately $100 million (Column 7, Line 10) in excess of production costs compared with approximately $32 million (Line 21) under Alternative Scenario 1 and approximately $49 million (Line 32) under Alternative Scenario 2.

Exhibit 2 presents a comparison using the Company's market alternative power cost. PacifiCorp believes these costs are an appropriate reflection of the wholesale power market costs available to the Company to meet incremental loads. The incremental cost analysis indicates that the New Agreement would contribute, in present value terms, approximately $46 million (Column 7, Line 10) in excess of incremental production costs compared with approximately $20 million (Line 21) under Alternative Scenario 1 and approximately $29 million (Line 32) under Alternative Scenario 2.

The east-side incremental power cost calculation is designed to reflect the Company's actual available market alternative costs. It uses the operating cost of a combined cycle combustion turbine (CCCT) to reflect the low end of a market estimate and the full capital plus running cost of a CCCT to estimate the upper end. It then melds these two extremes on a 50/50 basis to estimate the cost of a fully integrated new market-acquired resource on the Company's system. Finally, it adjusts this fully integrated incremental market cost estimate to reflect the Company's east-to-west transmission limitation. The result is a reasonable mid-ground estimate of the Company's incremental power cost.

Using IPUC-approved Surrogate Avoided Resource (SAR) incremental production cost estimates adjusted for the Company's east-to-west transmission limitation, Exhibit 3 indicates that the New Agreement contributes, on a present value basis, approximately $25 million (Column 7, Line 10) beyond incremental costs compared with approximately $16 million (Column 7, Line 21) under Alternative Scenario 1 or approximately $21 million (Column 7, Line 32) under Alternative Scenario 2. The Company believes current market conditions support lower incremental production costs and presents Exhibit 4 as a lower bound for contribution to fixed costs.

Exhibits 2, 3, and 4 establish the following ranges for contribution to fixed costs:

New Agreement:	$25 million - $100 million
Alternative Scenario 1:	$16 million - $ 32 million
Alternative Scenario 2:	$21 million - $ 49 million

These contributions serve to reduce the revenue requirement otherwise borne by the Company's other customers; thus, these customers will enjoy an economic benefit flowing from the New Agreement.

Section 9: Summary

PacifiCorp requests IPUC approval of the New Agreement by virtue of the benefits it provides to other customers, the Soda Springs community, the state of Idaho, the United States, Monsanto, and PacifiCorp.

Other customers served by PacifiCorp will benefit from Monsanto's continued contributions to fixed costs. Indeed, Monsanto would contribute more to fixed costs under the New Agreement than under either of the two Alternative Scenarios they would pursue if the New Agreement is not approved. Through the New Agreement, Monsanto reaffirms its commitment to the Soda Springs facility -- and the community -- into the next century at a time when the combination of energy costs and developments in Monsanto's industry could prompt the Customer to secure a lower-priced electricity supply from another supplier or to shift production and jobs elsewhere.

The New Agreement offers Monsanto price predictability for a major production expense over the next six years. This will help Monsanto compete in its business markets. Through the New Agreement, a four-decade business partnership between PacifiCorp and Monsanto continues to provide benefits to Monsanto and to PacifiCorp's other customers. PacifiCorp and its Idaho customers also face less revenue risk due to the innovative up-front payment by Monsanto.

Comparison of Alternatives: Contribution to Fixed Costs with Net Production Costs

Exhibit 1

Line No.	New Agreement Year (1)	Total kWh (2)	Revenues $/kWh (3)	Revenues Total $ (4)	Costs Net Production Incremental Costs (5)	Costs Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
1	Termination Charge			$30,000,000		$0	$30,000,000
2	11/1/95 through 6/30/96	958,667,000	$0.018500	$17,735,340	$0.008340	$7,995,283	$9,740,057
3	7/1/96 through 12/31/96	719,000,000	$0.018500	$13,301,500	$0.008340	$5,996,460	$7,305,040
4	1/1/97 through 6/30/97	762,500,000	$0.018500	$14,106,250	$0.008490	$6,473,625	$7,632,625
5	7/1/97 through 12/31/97	762,500,000	$0.018500	$14,106,250	$0.008490	$6,473,625	$7,632,625
6	through 12/31/98	1,656,000,000	$0.018500	$30,636,000	$0.008340	$13,811,040	$16,824,960
7	through 12/31/99	1,656,000,000	$0.018500	$30,636,000	$0.008500	$14,076,000	$16,560,000
8	through 12/31/00	1,656,000,000	$0.018500	$30,636,000	$0.009090	$15,053,040	$15,582,960
9	through 12/31/01	1,656,000,000	$0.018500	$30,636,000	$0.009750	$16,146,000	$14,490,000
10	Totals (Present Valued @ 9.83%):			$162,450,987		$62,189,550	$100,261,437

11 **Alternative Scenario 1: Current Agreement with Municipalization at Expiration Date of 6/30/97**

Line No.	Year (1)	Total kWh (2)	Revenues $/kWh (3)	Revenues Total $ (4)	Costs Net Production Incremental Costs (5)	Costs Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
12							
13	11/1/95 through 6/30/96	833,333,333	$0.02500	$20,833,333	$0.008340	$6,950,000	$13,883,333
14	7/1/96 through 12/31/96	625,000,000	$0.02600	$16,250,000	$0.008340	$5,212,500	$11,037,500
15	1/1/97 through 6/30/97	625,000,000	$0.02600	$16,250,000	$0.008490	$5,306,250	$10,943,750
16	7/1/97 through 12/31/97	0					$0
17	through 12/31/98	0					$0
18	through 12/31/99	0					$0
19	through 12/31/00	0					$0
20	through 12/31/01	0					$0
21	Totals (Present Valued @ 9.83%):			$47,235,661		$15,472,849	$31,762,812

22 **Alternative Scenario 2: Current Agreement with 45mW load at Expiration Date of 6/30/97**

Line No.	Year (1)	Total kWh (2)	Revenues $/kWh (3)	Revenues Total $ (4)	Costs Net Production Incremental Costs (5)	Costs Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
23							
24	11/1/95 through 6/30/96	833,333,333	$0.02500	$20,833,333	$0.008340	$6,950,000	$13,883,333
25	7/1/96 through 12/31/96	625,000,000	$0.02600	$16,250,000	$0.008340	$5,212,500	$11,037,500
26	1/1/97 through 6/30/97	625,000,000	$0.02600	$16,250,000	$0.008490	$5,306,250	$10,943,750
27	7/1/97 through 12/31/97	177,390,000	$0.02500	$4,434,750	$0.008490	$1,506,041	$2,928,709
28	through 12/31/98	354,780,000	$0.02500	$8,869,500	$0.008340	$2,958,865	$5,910,635
29	through 12/31/99	354,780,000	$0.02500	$8,869,500	$0.008500	$3,015,630	$5,853,870
30	through 12/31/00	354,780,000	$0.02500	$8,869,500	$0.009090	$3,224,950	$5,644,550
31	through 12/31/01	354,780,000	$0.02500	$8,869,500	$0.009750	$3,459,105	$5,410,395
32	Totals (Present Valued @ 9.83%):			$74,305,753		$25,016,008	$49,289,746

Comparison of Alternatives: Contribution to Fixed Costs with Market Alternative Power Costs

Exhibit 2

Line No.	New Agreement Year (1)	Total kWh (2)	Revenues $/kWh (3)	Revenues Total $ (4)	Costs Market Alternative Incremental Costs (5)	Costs Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
1	Termination Charge			$30,000,000		$0	$30,000,000
2	11/1/95 through 6/30/96	958,667,000	$0.018500	$17,735,340	$0.014345	$13,752,078	$3,983,261
3	7/1/96 through 12/31/96	719,000,000	$0.018500	$13,301,500	$0.014345	$10,314,055	$2,987,445
4	1/1/97 through 6/30/97	762,500,000	$0.018500	$14,106,250	$0.015118	$11,527,475	$2,578,775
5	7/1/97 through 12/31/97	762,500,000	$0.018500	$14,106,250	$0.015118	$11,527,475	$2,578,775
6	through 12/31/98	1,656,000,000	$0.018500	$30,636,000	$0.016090	$26,645,040	$3,990,960
7	through 12/31/99	1,656,000,000	$0.018500	$30,636,000	$0.016821	$27,855,576	$2,780,424
8	through 12/31/00	1,656,000,000	$0.018500	$30,636,000	$0.017626	$29,188,656	$1,447,344
9	through 12/31/01	1,656,000,000	$0.018500	$30,636,000	$0.018650	$30,884,400	($248,400)
10	Totals (Present Valued @ 9.83%):			$162,450,987		$116,141,123	$46,309,863

11 **Alternative Scenario 1: Current Agreement with Municipalization at Expiration Date of 6/30/97**

12	Year (1)	Total kWh (2)	Revenues $/kWh (3)	Revenues Total $ (4)	Costs Market Alternative Incremental Costs (5)	Costs Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
13	11/1/95 through 6/30/96	833,333,333	$0.02500	$20,833,333	$0.014345	$11,954,167	$8,879,167
14	7/1/96 through 12/31/96	625,000,000	$0.02600	$16,250,000	$0.014345	$8,965,625	$7,284,375
15	1/1/97 through 6/30/97	625,000,000	$0.02600	$16,250,000	$0.015118	$9,448,750	$6,801,250
16	7/1/97 through 12/31/97	0					$0
17	through 12/31/98	0					$0
18	through 12/31/99	0					$0
19	through 12/31/00	0					$0
20	through 12/31/01	0					$0
21	Totals (Present Valued @ 9.83%):			$47,235,661		$26,880,506	$20,355,155

22 **Alternative Scenario 2: Current Agreement with 45mW load at Expiration Date of 6/30/97**

23	Year (1)	Total kWh (2)	Revenues $/kWh (3)	Revenues Total $ (4)	Costs Market Alternative Incremental Costs (5)	Costs Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
24	11/1/95 through 6/30/96	833,333,333	$0.02500	$20,833,333	$0.014345	$11,954,167	$8,879,167
25	7/1/96 through 12/31/96	625,000,000	$0.02600	$16,250,000	$0.014345	$8,965,625	$7,284,375
26	1/1/97 through 6/30/97	625,000,000	$0.02600	$16,250,000	$0.015118	$9,448,750	$6,801,250
27	7/1/97 through 12/31/97	177,390,000	$0.02500	$4,434,750	$0.015118	$2,681,782	$1,752,968
28	through 12/31/98	354,780,000	$0.02500	$8,869,500	$0.016090	$5,708,410	$3,161,090
29	through 12/31/99	354,780,000	$0.02500	$8,869,500	$0.016821	$5,967,754	$2,901,746
30	through 12/31/00	354,780,000	$0.02500	$8,869,500	$0.017626	$6,253,352	$2,616,148
31	through 12/31/01	354,780,000	$0.02500	$8,869,500	$0.018650	$6,616,647	$2,252,853
32	Totals (Present Valued @ 9.83%):			$74,305,753		$45,196,561	$29,109,192

Comparison of Alternatives: Contribution to Fixed Costs with SAR-Based Costs

Exhibit 3

New Agreement

Line No.	Year (1)	Total kWh (2)	Revenues: $/kWh (3)	Revenues: Total $ (4)	Costs: SAR-Based Incremental Costs (5)	Costs: Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
1	Termination Charge			$30,000,000		$0	$30,000,000
2	11/1/95 through 6/30/96	958,667,000	$0.018500	$17,735,340	$0.016573	$15,887,988	$1,847,351
3	7/1/96 through 12/31/96	719,000,000	$0.018500	$13,301,500	$0.016573	$11,915,987	$1,385,513
4	1/1/97 through 6/30/97	762,500,000	$0.018500	$14,106,250	$0.017409	$13,274,363	$831,888
5	7/1/97 through 12/31/97	762,500,000	$0.018500	$14,106,250	$0.017409	$13,274,363	$831,888
6	through 12/31/98	1,656,000,000	$0.018500	$30,636,000	$0.018288	$30,284,928	$351,072
7	through 12/31/99	1,656,000,000	$0.018500	$30,636,000	$0.020445	$33,856,920	($3,220,920)
8	through 12/31/00	1,656,000,000	$0.018500	$30,636,000	$0.021579	$35,734,824	($5,098,824)
9	through 12/31/01	1,656,000,000	$0.018500	$30,636,000	$0.022777	$37,718,712	($7,082,712)
10	Totals (Present Valued @ 9.83%):			$162,450,987		$137,302,608	$25,148,379

11 Alternative Scenario 1: Current Agreement with Municipalization at Expiration Date of 6/30/97

Line No.	Year (1)	Total kWh (2)	Revenues: $/kWh (3)	Revenues: Total $ (4)	Costs: SAR-Based Incremental Costs (5)	Costs: Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
12							
13	11/1/95 through 6/30/96	833,333,333	$0.02500	$20,833,333	$0.016573	$13,810,833	$7,022,500
14	7/1/96 through 12/31/96	625,000,000	$0.02600	$16,250,000	$0.016573	$10,358,125	$5,891,875
15	1/1/97 through 6/30/97	625,000,000	$0.02600	$16,250,000	$0.017409	$10,880,625	$5,369,375
16	7/1/97 through 12/31/97	0					$0
17	through 12/31/98	0					$0
18	through 12/31/99	0					$0
19	through 12/31/00	0					$0
20	through 12/31/01	0					$0
21	Totals (Present Valued @ 9.83%):			$47,235,661		$31,025,900	$16,209,761

22 Alternative Scenario 2: Current Agreement with 45mW load at Expiration Date of 6/30/97

Line No.	Year (1)	Total kWh (2)	Revenues: $/kWh (3)	Revenues: Total $ (4)	Costs: SAR-Based Incremental Costs (5)	Costs: Total $ (2) * (5) = (6)	Total $ Contribution to Fixed Costs (4) - (6) = (7)
23							
24	11/1/95 through 6/30/96	833,333,333	$0.02500	$20,833,333	$0.016573	$13,810,833	$7,022,500
25	7/1/96 through 12/31/96	625,000,000	$0.02600	$16,250,000	$0.016573	$10,358,125	$5,891,875
26	1/1/97 through 6/30/97	625,000,000	$0.02600	$16,250,000	$0.017409	$10,880,625	$5,369,375
27	7/1/97 through 12/31/97	177,390,000	$0.02500	$4,434,750	$0.017409	$3,088,183	$1,346,567
28	through 12/31/98	354,780,000	$0.02500	$8,869,500	$0.018288	$6,488,217	$2,381,283
29	through 12/31/99	354,780,000	$0.02500	$8,869,500	$0.020445	$7,253,477	$1,616,023
30	through 12/31/00	354,780,000	$0.02500	$8,869,500	$0.021579	$7,655,798	$1,213,702
31	through 12/31/01	354,780,000	$0.02500	$8,869,500	$0.022777	$8,080,824	$788,676
32	Totals (Present Valued @ 9.83%):			$74,305,753		$52,862,848	$21,442,905

EXHIBIT 204

Exhibit 204 (JRS 4)

Monsanto Curtailment Log 2000 - 2002

# of curtailments	Date	Curtailed	Furnace	Time Called	Time Furnace was tripped	Time Called Back	Time Back on	Curtailment Time off Calc	Total Time Off Calc	% of an hour	KWH	Type
1	08-Mar-00	X	8	9:45	9:46	10:06	10:17	0:20	0:31	51.67%	25833.33	ORC
2	05-Apr-00	X	9	1:22	1:23	2:13	2:13	0:50	0:50	83.33%	55833.33	ORC
3	10-Apr-00	X	8	1:49	1:51	2:03	2:09	0:12	0:18	30.00%	15000.00	ORC
4	13-Apr-00	X	9	15:22	15:23	15:38	15:41	0:15	0:18	30.00%	20100.00	ORC
5	27-Apr-00	X	7	15:22	15:22	15:50	15:51	0:28	0:29	48.33%	22716.67	ORC
6	01-May-00	X	9	16:32	16:34	17:11	18:29	0:37	1:55	191.67%	128416.67	ORC
7	06-May-00	X	9	0:30	0:31	0:38	8:48	0:07	8:17	828.33%	554983.33	ORC
8	07-May-00	X	8	16:50	16:51	17:01	17:36	0:10	0:45	75.00%	37500.00	ORC
9	08-May-00	X	8	2:03	2:03	2:22	2:22	0:19	0:19	31.67%	15833.33	ORC
10	13-May-00	X	7	15:33	15:33	15:40	15:40	0:07	0:07	11.67%	5483.33	ORC
11	13-May-00	x	8	15:40	15:40	16:03	16:03	0:23	0:23	38.33%	19166.67	SYS
12	22-May-00	x	9	7:25	7:26	7:31	8:13	0:05	0:47	78.33%	52483.33	ORC
13	23-May-00	X	9	11:26	11:26	11:35	11:44	0:09	0:18	30.00%	20100.00	ORC
14	30-May-00	X	8	16:20	16:20	16:58	17:08	0:38	0:48	80.00%	40000.00	ORC
15	06-Jun-00	X	7	15:37	15:37	16:10	16:11	0:33	0:34	56.67%	26633.33	ORC
16	18-Jun-00	x	8	20:28	20:29	20:44	21:11	0:15	0:42	70.00%	35000.00	ORC
17	25-Jun-00	x	7	13:55	13:55	14:11	14:24	0:16	0:29	48.33%	22716.67	ORC
18	25-Jun-00	x	7	17:27	17:28	18:03	18:04	0:35	0:36	60.00%	28200.00	ORC
19	25-Jun-00	x	8	17:33	17:34	17:42	17:43	0:08	0:09	15.00%	7500.00	ORC
20	27-Jun-00	x	7	5:37	5:37	5:59	6:00	0:22	0:23	38.33%	18016.67	ORC
21	27-Jun-00	X	9	17:56	17:57	18:10	18:39	0:13	0:42	70.00%	46900.00	ORC
22	06-Jul-00	x	7	11:21	11:22	12:03	12:05	0:41	0:43	71.67%	33683.33	ORC
23	07-Jul-00	x	7	11:01	11:02	11:24	11:26	0:22	0:24	40.00%	18800.00	ORC
24	20-Jul-00	x	7	16:11	16:14	16:24	16:58	0:10	0:44	73.33%	34466.67	ORC
25	25-Jul-00	x	7	23:20	23:21	23:29	23:38	0:08	0:17	28.33%	13316.67	ORC
26	26-Jul-00	x	7	2:42	2:43	2:53	2:55	0:10	0:12	20.00%	9400.00	ORC
27	31-Jul-00	X	7	13:33	13:34	15:35	15:41	2:01	2:07	211.67%	99483.33	SYS
28	31-Jul-00	X	8	13:33	13:35	15:35	15:36	2:00	2:01	201.67%	100833.33	SYS
29	16-Aug-00	x	9	13:12	13:13	13:24	13:52	0:11	0:39	65.00%	43550.00	ORC
30	17-Aug-00	x	7	8:48	8:48	9:25	9:25	0:37	0:37	61.67%	28983.33	ORC
31	24-Aug-00	x	7	16:44	16:44	17:15	17:18	0:31	0:34	56.67%	26633.33	ORC
32	14-Sep-00	x	7	16:54	16:57	17:40	17:41	0:43	0:44	73.33%	34466.67	ORC
33	20-Sep-00	x	8	8:34	8:37	8:48	8:52	0:11	0:15	25.00%	12500.00	ORC
34	23-Sep-00	x	8	17:42	17:44	18:19	18:32	0:35	0:48	80.00%	40000.00	ORC
35	09-Nov-00	x	7	7:48	7:49	8:04	8:04	0:15	0:15	25.00%	11750.00	ORC
36	11-Nov-00	X	8	2:49	2:50	2:56	2:59	0:06	0:09	15.00%	7500.00	ORC
37	24-Nov-00	x		1:43	1:43	2:12	2:22	0:29	0:39	65.00%	0.00	ORC
38	29-Nov-00	x	7	19:24	19:25	19:52	20:03	0:27	0:38	63.33%	29766.67	ORC
39	03-Dec-00	X	8	21:44	21:44	22:22	23:13	0:38	1:29	148.33%	74166.67	ORC

# of curtailments	Date	Curtailed	Furnace	Time Called	Time Furnace was tripped	Time Called Back	Time Back on	Curtailment Time off Calc	Total Time Off Calc	% of an hour	KwH	Type
40	12-Dec-00	x	9	20:36	20:37	20:54	20:54	0:17	0:17	28.33%	18983.33	ORC
41	29-Dec-00	x	7	12:40	12:41	12:58	12:59	0:17	0:18	30.00%	14100.00	ORC
42	29-Dec-00	x	8	12:40	12:41	12:58	12:58	0:17	0:17	28.33%	14166.67	ORC
43	05-Jan-01	X	7	18:26	18:27	18:35	18:42	0:08	0:15	25.00%	11750.00	ORC
44	05-Jan-01	X	8	18:26	18:27	18:35	18:38	0:08	0:11	18.33%	9166.67	ORC
45	01-Feb-01	x	7	13:09	13:11	13:25	13:25	0:14	0:14	23.33%	10966.67	ORC
46	13-Feb-01	x	8	14:32	14:33	15:02	15:05	0:29	0:32	53.33%	26666.67	ORC
47	22-Feb-01	x	7	7:46	7:47	8:00	8:05	0:13	0:18	30.00%	14100.00	ORC
48	22-Feb-01	x	9	7:46	7:47	8:05	8:05	0:18	0:18	30.00%	20100.00	ORC
49	22-Feb-01	x	7	11:55	11:55	12:17	12:17	0:22	0:22	36.67%	17233.33	ORC
50	27-Feb-01	x	7	20:04	20:05	20:39	20:39	0:34	0:34	56.67%	26633.33	ORC
51	27-Feb-01	x	8	20:04	20:06	20:30	20:35	0:24	0:29	48.33%	24166.67	ORC
52	21-Mar-01	x	7	10:12	10:13	11:04	11:04	0:51	0:51	85.00%	39950.00	ORC
53	21-Mar-01	x	9	11:04	9:15	11:52	12:04	2:37	2:49	281.67%	188716.67	ORC
54	27-Mar-01	x	7	11:36	11:37	11:59	12:01	0:22	0:24	40.00%	18800.00	ORC
55	27-Mar-01	x	8	11:36	11:38	12:03	12:08	0:25	0:30	50.00%	25000.00	ORC
56	08-May-01	x	7	1:55	1:55	2:54	2:54	0:59	0:59	98.33%	46216.67	ORC
57	08-May-01	x	8	1:55	1:55	2:44	2:44	0:49	0:49	81.67%	40833.33	ORC
58	11-May-01	x	7	12:44	12:44	13:29	13:31	0:45	0:47	78.33%	36816.67	ORC
59	11-May-01	x	8	12:44	12:44	13:29	13:42	0:45	0:58	96.67%	48333.33	ORC
60	14-May-01	x	9	11:06	11:04	11:45	11:50	0:41	0:46	76.67%	51366.67	ORC
61	14-May-01	x	7	11:03	11:04	11:45	11:46	0:41	0:42	70.00%	32900.00	ORC
62	19-May-01	x	7	22:06	22:07	22:38	22:42	0:31	0:35	58.33%	27416.67	ORC
63	19-May-01	x	8	22:06	22:07	22:49	23:03	0:42	0:56	93.33%	46666.67	ORC
64	01-Jun-01	x	9	17:09	17:10	17:21	17:21	0:11	0:11	18.33%	12283.33	ORC
65	01-Jun-01	x	8	17:09	17:10	17:55	17:56	0:45	0:46	76.67%	38333.33	ORC
66	18-Jun-01	X	7	12:03	12:06	13:03	13:04	0:57	0:58	96.67%	45433.33	ORC
67	18-Jun-01	X	8	12:03	12:07	13:44	13:50	1:37	1:43	171.67%	85833.33	ORC
68	20-Jun-01	X	7	23:35	23:35	23:49	23:55	0:14	0:20	33.33%	15666.67	ORC
69	21-Jun-01	X	8	8:55	8:56	10:03	10:01	1:07	1:05	108.33%	54166.67	ORC
70	27-Jun-01	x	7	16:07	16:08	16:57	17:34	0:49	1:26	143.33%	67366.67	ORC
71	27-Jun-01	x	8	16:07	16:09	16:57	16:58	0:48	0:49	81.67%	40833.33	ORC
72	29-Jun-01	X	8	15:08	15:08	15:54	15:54	0:46	0:46	76.67%	38333.33	ORC
73	29-Jun-01	X	9	15:08	15:08	16:04	16:04	0:56	0:56	93.33%	62533.33	ORC
74	30-Jun-01	x	8	11:00	11:00	11:53	11:53	0:53	0:53	88.33%	44166.67	ORC
75	30-Jun-01	x	9	11:00	11:00	11:53	11:54	0:53	0:54	90.00%	60300.00	ORC
76	03-Jul-01	x	7	0:24	0:24	0:34	0:34	0:10	0:10	16.67%	7833.33	ORC
77	04-Jul-01	x	8	18:49	18:49	19:38	19:42	0:49	0:53	88.33%	44166.67	ORC
78	04-Jul-01	x	7	18:49	18:49	19:17	19:19	0:28	0:30	50.00%	23500.00	ORC
79	04-Jul-01	x	7	2:10	2:11	2:45	2:47	0:34	0:36	60.00%	28200.00	ORC
80	04-Jul-01	x	8	2:10	2:11	2:45	2:55	0:34	0:44	73.33%	36666.67	ORC
81	11-Jul-01	X	7	9:42	9:43	10:43	11:48	1:00	2:05	208.33%	97916.67	ORC

# of curtailments	Date	Curtailed	Furnace	Time Called	Time Furnace was tripped	Time Called Back	Time Back on	Curtailment Time off Calc	Total Time Off Calc	% of an hour	KwH	Type
82	*13-Jul-01*	x	8	16:43	16:44	17:40	17:43	0:56	0:59	98.33%	49166.67	ORC
83	*07-Aug-01*	x	9	21:10	21:12	22:04	22:04	0:52	0:52	86.67%	58066.67	ORC
84	*15-Aug-01*	x	9	14:53	14:53	15:45	15:46	0:52	0:53	89.19%	59760.28	ORC
85	*25-Aug-01*	x	7	11:57	11:57	12:42	12:43	0:44	0:45	76.53%	35968.06	ORC
86	*29-Aug-01*	x	7	6:18	6:18	6:20	6:20	0:02	0:02	3.33%	1566.67	ORC
87	*29-Aug-01*	x	9	6:20	6:20	7:42	7:41	1:22	1:21	135.00%	90450.00	ORC
88	*11-Oct-01*	X	7	17:10	17:10	17:55	17:58	0:45	0:48	80.00%	37600.00	ORC
89	*24-Oct-01*	x	8	13:41	13:43	14:07	14:08	0:24	0:25	41.67%	20833.33	ORC
90	*27-Oct-01*	x	7	17:42	17:42	18:17	18:17	0:35	0:35	58.33%	27416.67	ORC
91	*06-Nov-01*	x	7	2:12	2:14	3:01	3:14	0:47	1:00	100.00%	47000.00	ORC
92	*08-Nov-01*	x	7	14:00	14:00	14:17	14:19	0:17	0:18	31.25%	14689.59	ORC
93	*30-Nov-01*	x	9	4:03	4:04	4:26	4:31	0:22	0:27	45.00%	30150.00	ORC
94	*04-Dec-01*	x	7	17:01	17:01	17:56	17:56	0:55	0:55	92.44%	43448.89	ORC
95	*10-Dec-01*	x	7	3:32	3:33	3:58	3:59	0:25	0:26	43.33%	20366.67	ORC
96	*19-Dec-01*	x	9	17:59	17:59	18:52	18:53	0:53	0:54	90.00%	60300.00	ORC
97	*21-Dec-01*	x	8	15:11	15:11	16:26	16:26	1:15	1:15	125.00%	62500.00	ORC
98	*27-Dec-01*	x	7	6:08	6:08	6:57	7:00	0:49	0:52	88.31%	41503.61	ORC
99	*14-Jan-02*	x	7	11:57	11:57	12:50	12:51	0:53	0:54	90.00%	42300.00	ORC
100	*23-Jan-02*	x	7	1:32	1:33	1:57	2:13	0:24	0:40	67.06%	31516.11	ORC

EXHIBIT 205

MONSANTO
Soda Springs, Idaho Plant

1853 Highway 34
Post Office Box 816
Soda Springs, Idaho 83276-0816
Phone: (208) 547-4300
Fax: (208) 547-3312

January 9, 2001

Dennis Hansen, President
Idaho Public Utilities Commission
PO Box 83720
Boise, Idaho 83720-0074

Re: Inquires from the Commission about Monsanto's willingness to curtail operations.

Dear President Hansen,

In early December, upon seeing the region in a state of emergency, Monsanto began analyzing our business and evaluating the impact that curtailment might cause to that business. As you know PacifiCorp can interrupt our operations during system emergency when no other alternatives are available. We also began to receive inquires from other energy providers asking if operationally and legally we would be able to curtail operations to help this state of emergency.

It became apparent to us that power was available, but at record high prices. We determined that we were capable of sustaining an outage of 4 to 5 days of about 52 megawatts without harming our down stream customers, but at a financial loss. Monsanto fully expected PacifiCorp to approach us and offer us some sharing of the revenues if we would voluntarily curtail our operations; however, PacifiCorp's call never came and on approximately the 14th or 15th of December in an attempt to help the situation, I made a call to Bruce Griswold, Director of Contracts and offered to curtail our operations for a share of the revenues. Mr. Griswold declined outright but said he would keep the offer in mind.

On January 3rd, I again contacted Mr. Griswold. Due to temporary operational and inventory issues we were in a position to offer 47 megawatts of curtailment for 10 to 11 days, beginning as soon as Sunday the 7th of January. Mr. Griswold said he would explore the issue with his management. On January 5th, He declined the offer.

We were quite surprised by their unwillingness to take advantage or even discuss seriously these offers, especially in light of the system emergence and revenues that could be gained selling power into the market. Monsanto believes that for both companies to remain healthy we must be aware and in fact be diligent in finding creative ways to bring value to both of our business. Monsanto remains committed to this end.

Should I be able to answer any more of your questions, or if you would like more details please let me know.

Sincerely,

James R. Smith
Purchasing Supervisor

EXHIBIT 206

MS - 225
(One copy went to Keith.)

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2001 JAN 19 AM 8:29
IDAHO PUBLIC UTILITIES COMMISSION

825 N.E. Multnomah
Portland, Or 97232
(503) 813-5000

PACIFICORP

January 16, 2001

Marsha Smith, Commissioner
Idaho Public Utilities Commission
472 West Washington
Boise, Idaho 83720-0074

RE: Monsanto Letter Regarding Load Curtailment

Dear Commissioner Smith:
This letter is a follow-up to our conversation on Thursday January 11, 2001, about the letter President Hansen received from Monsanto. I have a number of concerns over Mr. Smith's letter that I will clarify.

First, I would like to outline the signed agreements we had with Monsanto prior to December 2000 that compensates Monsanto in exchange for curtailment rights.

- Monsanto's existing power supply agreement allows PacifiCorp to interrupt Monsanto's three furnaces for system reliability purposes in exchange for a reduced power price. We manage this option very carefully with Monsanto because this represents 175MW of load and is central to Monsanto's production,
- We have an operating reserves agreement with Monsanto for a minimum of 46MW that was implemented March 1, 2000 and runs through February 28, 2001. This agreement stipulates that at a minimum the lowest demand furnace must be curtailed according to NERC standards. We pay a monthly fee for this option to curtail a fixed number of times per year. Since the curtailment option is intended for operating reserves, the agreement does not allow the furnace to be curtailed for any other reason, other than prescheduled maintenance or force majeure.

Second, during the past six months we have been in negotiations with Monsanto regarding potential agreements that would target the 2001 summer, when we anticipate high peak load and power prices in our eastern control area. During the first week of December, as the potential for power shortages became apparent, PacifiCorp established a team of people to contact major customers. The purpose of these calls was to discuss the situation and to negotiate generation or load curtailment agreements if it was physically and/or financially favorable for both parties. Mr. Smith infers that PacifiCorp was never in contact with Monsanto during this period, which is incorrect. Various PacifiCorp employees contacted Mr. Smith and the Monsanto furnace operators on December 7th and 8th regarding the potential for a System II Alert, and gave notice that Monsanto could be required to curtail its three furnaces under a System Emergency. During those conversations we also discussed our interest in expanding the curtailment possibilities and extending the existing curtailment agreements.

As a result of those discussions, Mr. Smith requested that PacifiCorp consider a second operating reserves agreement for a second 49MW furnace that would start immediately and expire February 28, 2001, as well as a one-year extension of the first operating reserves agreement. Monsanto has always stated that for safety and production reasons they must run one of the three furnaces at all times, thus any agreements for curtailment or operating reserves can only be done on two furnaces. Both of these agreements were accepted and signed December 13, 2000. Additionally, we reached agreement on a structure to shift a multi-week furnace maintenance from 2nd quarter to 3rd quarter 2001, thus moving that load reduction to offset the higher cost summer period. That agreement shares, on a 50/50 percent basis, the difference in market value of power with Monsanto. That termsheet was signed December 12, 2000 and we are currently completing the detailed agreement.

Thus we have a total of five agreements in place where PacifiCorp compensates Monsanto for curtailment rights or load shifting. Our records show that since December 1, 2000, we have curtailed Monsanto for operating reserves on four separate days, twice at 46MW and twice at 95MW.

On January 3, 2001, Mr. Smith did call and left me a message that he wanted to talk. I returned his call on the 4th and he outlined his curtailment offer for 47 MW for the reasons he listed in his letter. He also did state that he had a specific 3rd party offer to purchase the unused power for the 11-day curtailment period. Mr. Smith's proposal required that PacifiCorp permit Monsanto to sell the unused power to the third party. I and others in our company informed him that the power was not his to sell, since he did not have a take-or-pay arrangement for that block of power. In addition, we pointed out that his power supply contract specifically precludes sale for resale. However, I did agree to check with our Power Supply business unit on current prices that PacifiCorp would pay if we could arrange a structure between Monsanto and PacifiCorp. A pricing analysis was conducted January 4th for this proposed transaction. I also reviewed the prices we were posting for the Energy Exchange program (Schedule 71 tariff) in both Utah and Oregon. Both were listed at approximately tariff ($40 per MWh in Oregon and $35 per MWh in Utah) which was consistent with the pricing analysis performed by our Power Supply business unit.

I left a voicemail for Mr. Smith on the January 5th, in which I declined the 3rd party offer for the reasons above. In the message I did extend the offer that we would pay the posted price minus his contract price for that period, which is consistent with what we were offering to all our large customers through the Energy Exchange program in other states and as filed in Idaho. I did not hear from him directly, but his assigned account manager informed me that he declined. I followed up with a call later in the day on the 5th, and we discussed the reasons for our position. In addition, to the reasons stated above, I also pointed out that we have two furnaces on operating reserves agreements, which makes them ineligible for curtailment for any other reason. Mr. Smith disagreed with that rational. I also discussed the Energy Exchange program and that we were filing the tariff in Idaho on January 5th allowing him to monitor prices daily and pledge curtailment as it fit his operation.

Despite the lack of an agreement, I understand from our dispatchers that Monsanto operators called Sunday morning January 7th to notify us that they were shutting down the 46MW furnace. Our Energy Exchange program and the bilateral agreements we enter into with customers for curtailments clearly do not permit payments for prescheduled shutdowns.

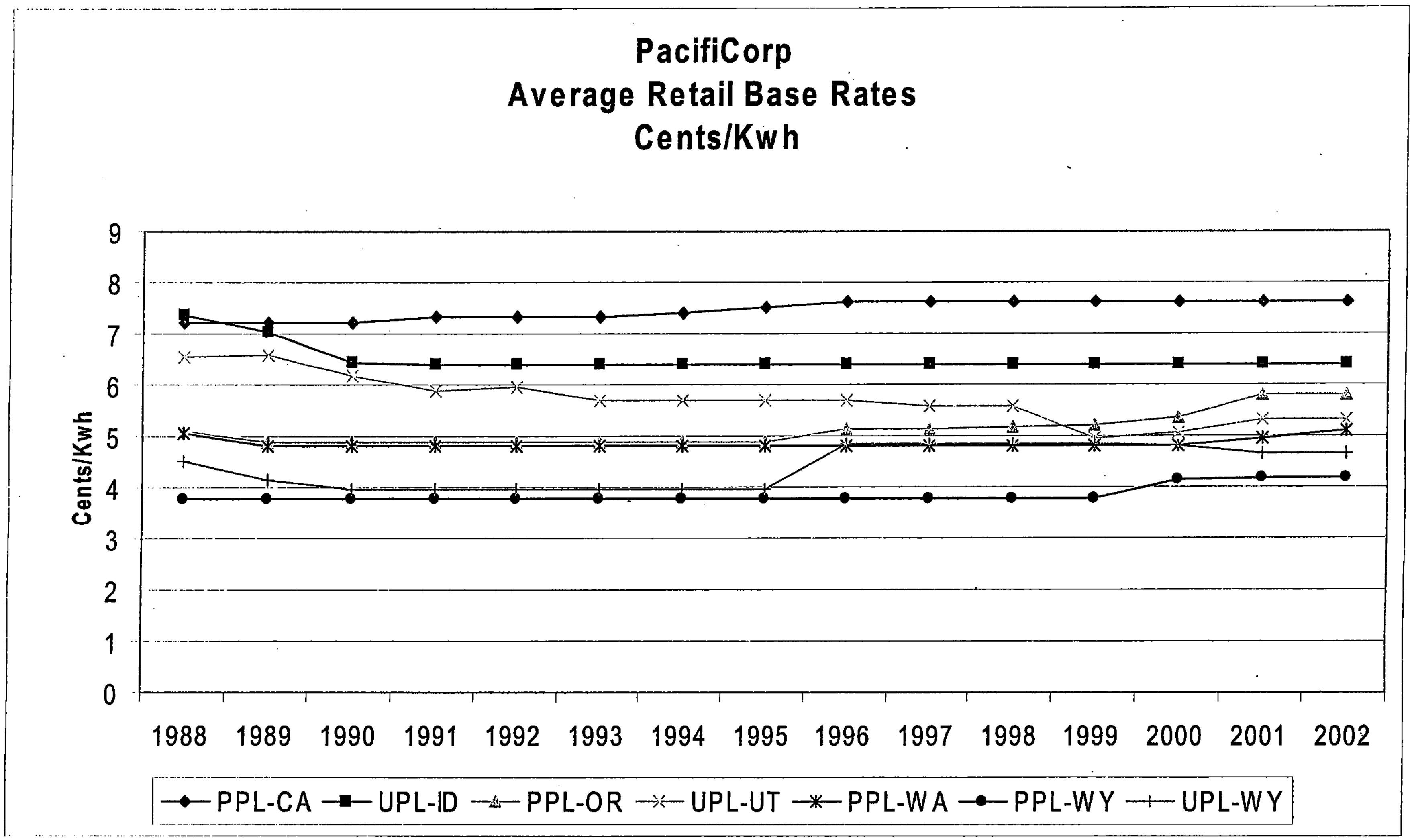
PacifiCorp continues to work through this power crisis and involve its customers in the solution, but we also have the responsibility to conduct the business prudently and benefit all ratepayers, not just specific customers. If you have any questions, please call me at 503.813.5218.

Sincerely,

Bruce Griswold
Director, Energy Contracts

Cc: Dennis Hansen, IPUC
Keith Hessing, IPUC
Andy MacRitchie
Mathew Wright

EXHIBIT 207


PacifiCorp
Average Retail Base Rates
Cents/Kwh
Cents/Kwh
9
8
7
6
5
4
3
2
1
0
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
PPL-CA
UPL-ID
PPL-OR
UPL-UT
PPL-WA
PPL-WY
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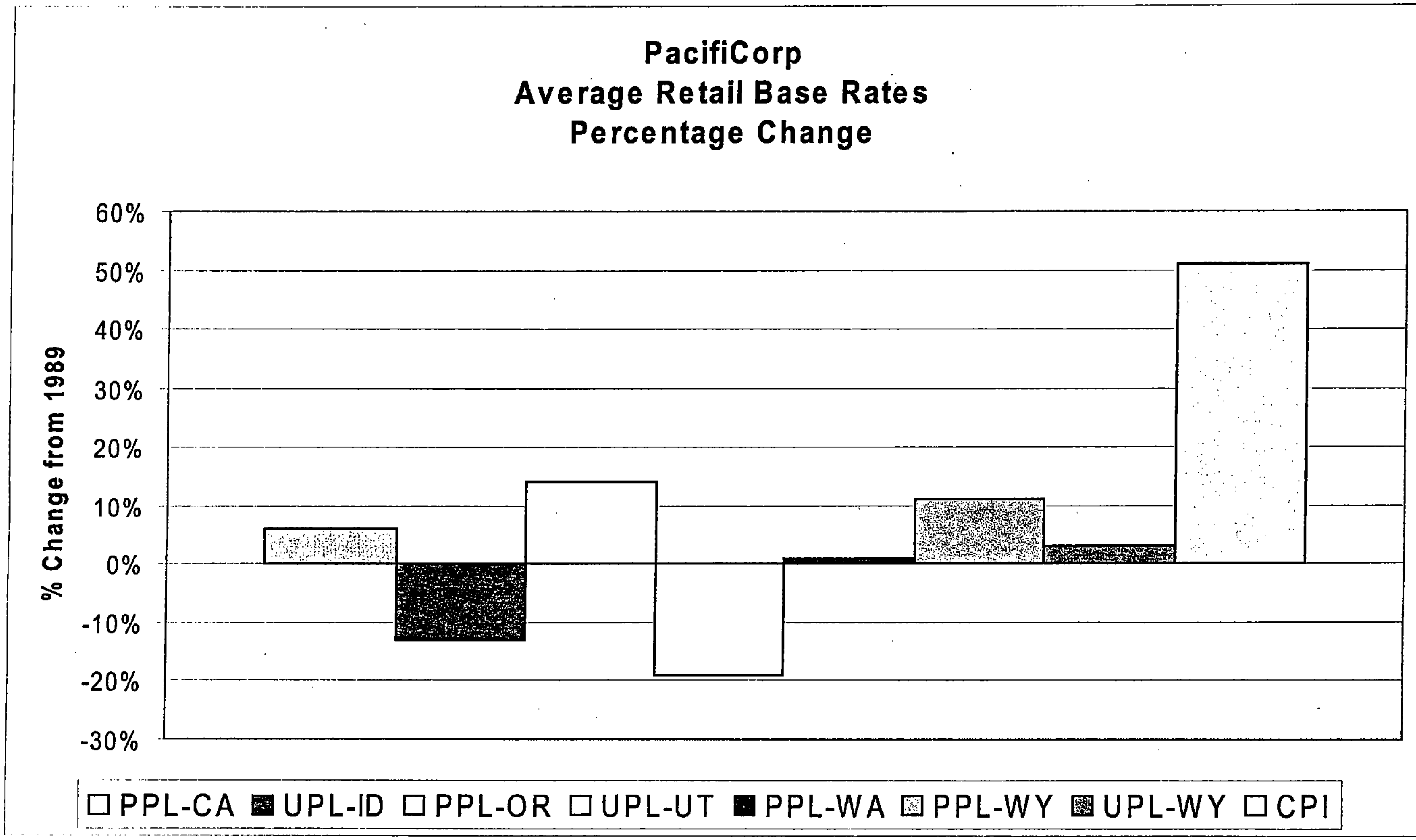
PacifiCorp
Average Retail Base Rates
Percentage Change
% Change from 1989
60%
50%
40%
30%
20%
10%
0%
-10%
-20%
-30%
PPL-CA
UPL-ID
PPL-OR
UPL-UT
PPL-WA
PPL-WY
UPL-WY
CPI

Average Retail Base Rates
1988-2002 Overall

Year	California	Idaho	Oregon	Utah	Washington	Old PPL Wyoming	Old UPL Wyoming	CPI
1988	7.21	7.36	5.1	6.57	5.07	3.79	4.52	118.30
1989	7.21	7.04	4.89	6.58	4.80	3.79	4.16	124.00
1990	7.21	6.43	4.89	6.17	4.80	3.79	3.98	130.70
1991	7.33	6.42	4.89	5.89	4.80	3.79	3.98	136.20
1992	7.33	6.42	4.89	5.95	4.80	3.79	3.98	140.30
1993	7.33	6.42	4.89	5.70	4.80	3.79	3.98	144.50
1994	7.42	6.42	4.89	5.70	4.80	3.79	3.98	148.20
1995	7.53	6.42	4.89	5.70	4.80	3.79	3.98	152.40
1996	7.63	6.42	5.15	5.70	4.80	3.77	4.87	156.90
1997	7.63	6.42	5.15	5.60	4.80	3.77	4.87	160.50
1998	7.63	6.42	5.19	5.60	4.80	3.77	4.87	163.00
1999	7.63	6.42	5.21	4.95	4.80	3.77	4.87	166.60
2000	7.63	6.42	5.36	5.09	4.80	4.14	4.83	172.20
2001	7.63	6.42	5.83	5.35	4.95	4.19	4.67	177.10
2002	7.63	6.42	5.83	5.35	5.10	4.19	4.67	178.80
et Change	106%	87%	114%	81%	101%	111%	103%	151%

Year	California	Idaho	Oregon	Utah	Washington	Wyoming	Wyoming	CPI
1988								
1989	100%	96%	96%	100%	95%	100%	92%	105%
1990	100%	87%	96%	94%	95%	100%	88%	110%
1991	102%	87%	96%	90%	95%	100%	88%	115%
1992	102%	87%	96%	91%	95%	100%	88%	119%
1993	102%	87%	96%	87%	95%	100%	88%	122%
1994	103%	87%	96%	87%	95%	100%	88%	125%
1995	104%	87%	96%	87%	95%	100%	88%	129%
1996	106%	87%	101%	87%	95%	99%	108%	133%
1997	106%	87%	101%	85%	95%	99%	108%	136%
1998	106%	87%	102%	85%	95%	99%	108%	138%
1999	106%	87%	102%	75%	95%	99%	108%	141%
2000	106%	87%	105%	77%	95%	109%	107%	146%
2001	106%	87%	114%	81%	98%	111%	103%	150%
2002	106%	87%	114%	81%	101%	111%	103%	151%

Percent Change

Year	California	Idaho	Oregon	Utah	Washington	Wyoming	Wyoming	CPI
1988								
1989	0%	-4%	-4%	0%	-5%	0%	-8%	5%
1990	0%	-13%	-4%	-6%	-5%	0%	-12%	10%
1991	2%	-13%	-4%	-10%	-5%	0%	-12%	15%
1992	2%	-13%	-4%	-9%	-5%	0%	-12%	19%
1993	2%	-13%	-4%	-13%	-5%	0%	-12%	22%
1994	3%	-13%	-4%	-13%	-5%	0%	-12%	25%
1995	4%	-13%	-4%	-13%	-5%	0%	-12%	29%
1996	6%	-13%	1%	-13%	-5%	-1%	8%	33%
1997	6%	-13%	1%	-15%	-5%	-1%	8%	36%
1998	6%	-13%	2%	-15%	-5%	-1%	8%	38%
1999	6%	-13%	2%	-25%	-5%	-1%	8%	41%
2000	6%	-13%	5%	-23%	-5%	9%	7%	46%
2001	6%	-13%	14%	-19%	-2%	11%	3%	50%
2002	6%	-13%	14%	-19%	1%	11%	3%	51%

EXHIBIT 208

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of PACIFICORP, dba Utah Power & Light Company for Approval of Provisions for the Supply of Electric Service to Magnesium Corporation of America.	)))))	DOCKET NO. 01-035-38 ORDER

ISSUED: May 24, 2002

By the Commission:

HISTORY

This Docket results from the Application of PacifiCorp to resolve disputes it has with Magnesium Corporation of America (Magcorp). Magcorp is a large industrial customer which received electric service from PacifiCorp under a special service contract. The contract has been amended eight times since its origination in 1968. Prior to the expiration of the last amended contract, these two parties began negotiations to determine the terms and conditions under which electric service would continue to be furnished for Magcorp's Utah plant facilities. As the expiration date of the service contract neared, contract negotiations apparently stalled. Then, on August 2, 2001, Magcorp (and its parent, Renco Metals) voluntarily sought Chapter 11 bankruptcy relief in the United States Bankruptcy Court for the Southern District of New York. Although the latest service contract expired by its own terms on December 31, 2001, and the parties have been unable to agree to a mutually acceptable new contract, Magcorp continues to receive electric power service from PacifiCorp by order of the bankruptcy court.

In its December 14, 2001 Application, PacifiCorp asks the Commission to resolve the parties' impasse and resolve their disputes on the terms and conditions for service to Magcorp. Magcorp objected to proceedings before this Commission, which might alter Magcorp's service or set terms for service to Magcorp, absent bankruptcy court approval. However, in a March 5, 2002 pleading, Magcorp requested that the Commission resolve the dispute on an expedited schedule, and requested mediation of the dispute and disputes in Docket No. 02-035-02, relating to the terms and conditions of a contract with Magcorp as a PURPA qualifying facility. Through mediation, Magcorp and PacifiCorp have resolved and reached agreement on the qualifying facility contract. Interested parties joined with them in recommending Commission approval of that contract in Docket No. 02-035-02, and the Commission approved it May 16, 2002. No resolution of the disputes involved in this docket was reached and this matter was set for hearing on May 8 and 9, 2002.

At the May hearings, PacifiCorp appeared through counsel Edward A. Hunter, of the law firm Stoel Rives, LLP; the Division of Public Utilities (Division), Utah Department of Commerce, appeared through Kent Walgren, Assistant Attorney General, Utah Attorney General's Office; the Committee of Consumer Services (Committee), Utah Department of Commerce, appeared through Reed Warnick, Assistant Attorney General, Utah Attorney General's Office; and Magcorp appeared through Gary A. Dodge, of the law firm Hatch, James & Dodge. Magcorp presented evidence through witnesses Michael H. Legge, Lee Brown, and Roger J. Swenson. PacifiCorp presented evidence through witnesses Bruce W. Griswold, and David L. Taylor. The Division presented evidence through witness Dr. Laura Nelson. The Committee presented evidence through the testimony of Andrea Coon. The Commission heard from public witnesses on May 8, 2002.

POSITIONS OF THE PARTIES

In this case, the parties ask the Commission to set a rate for electric service to Magcorp, a large retail customer. Magcorp requests non-firm, or interruptible, service at a price lower than that for firm service. All parties agree that large customers who are willing to receive interruptible service under certain conditions impose less cost on the utility than do firm customers, and therefore warrant special pricing consideration. Each party provides analysis supporting its view on how best to consider special pricing for service to Magcorp, and makes recommendations regarding the rate, terms and conditions of service. Each party, however, tempers its recommendations with the recognition that further study of the value of interruptibility is required.

Magcorp witnesses testify that a price of 21 mills per kilowatt-hour for interruptible service, substantially below a firm tariff rate, can be justified. Magcorp's witnesses testify that Magcorp's operational capabilities permit it to be interrupted from the utility's service under circumstances which can lower system costs. Specifically, in addition to interruption for system emergencies, Magcorp states that its load can be interrupted 2 hours per weekday for 12 months and up to 8 hours per weekday depending on electricity buy-through terms and conditions and the number of months subject to interruption. In direct testimony, Magcorp proposed an eight-hour per weekday service interruption option in the months of July and August. This amounts to 360 hours of potential interruption. Magcorp's subsequent proposal, offered in response to the Division's recommendations, is to be interrupted two hours per weekday, twelve months of the year, with day ahead notice, and the option for Magcorp, at its discretion, to buy-through the interruption based on indexed, on-peak, firm rates. The price for power consumed during non-interrupted hours would be 21 mills per kilowatt hour. This amounts to 520 hours per year of potential interruption. Magcorp requests a term ending December 31, 2004, with a reopener no earlier than 18 months from the date of the contract, or December 31, 2003. At hearing, Magcorp stated its willingness to include a two-hour notice for interruption.

These witnesses testify that by curtailing service to Magcorp during the two-hour period, PacifiCorp may avoid the cost of generating electricity or purchasing it to serve Magcorp's load during periods when the cost is particularly high. Magcorp witnesses testify that a load shedding option was the justification for the discounted pricing Magcorp received through its initial contract and eight amendments during the past thirty years. Magcorp states that it is willing to continue to shed its load, and that the value of this non-standard or less than firm service should be reflected in the price it pays for the electricity it consumes. Magcorp wants prices, terms and conditions in a single, integrated contract, based on its need to estimate future costs for purposes of bankruptcy proceedings. The 21-mill pricing is in its view required to attract a potential buyer under the bankruptcy plan. Magcorp states that this rate, coupled with the terms and conditions proposed, amounts to a 17 to 39 percent increase in rates compared to its previous contract. Magcorp recommends characterizing the new contract as experimental, subject to further study of the cost and terms of interruptible service. Magcorp recommends the opportunity over eight months of the year, eight hours per day, five days per week, totaling 1,440 hours per year. The eight months must include the peak summer months. The term of this recommended agreement is through December 31, 2004. To mitigate the impact on Magcorp of the resultant rate increase, the Division testifies that interruption terms and conditions could be phased-in over the contract term. The Division also recommends that the pricing, terms and conditions of the new contract should be considered a pilot, during which the proper value of interruptibility could be determined. Thus, the Division recommends reopening the contract after twelve months to consider adjustments. For purposes of this study, the Division supports establishment of a task force.

Based on its embedded cost analysis, the Committee testifies that a cost compensatory rate for interruptible service is $25.16 per megawatt hour. This rate assumes Magcorp loads can be curtailed when the PacifiCorp system is short of resources during summer and winter peak months. The Committee also testifies that the establishment of a task force for the study of interruptible cost of service is appropriate.

DISCUSSION, FINDINGS AND CONCLUSIONS

The parties request that the Commission address, based on the evidence presented, four aspects of Magcorp service. Thereafter, PacifiCorp and Magcorp will negotiate remaining terms of a contract, incorporate the Commission's four determinations and present an integrated written service contract or two separate contracts for future consideration. These four aspects are, first, whether special pricing should be structured in one integrated contract or two separate contracts; second, the term of the service agreement and any reopening terms; third, a price for electric service to Magcorp; and fourth, interruption terms and conditions, including the times of day, week and year when interruption may occur, its duration, required notice, and the provisions according to which Magcorp may buy-through an interruption.

PacifiCorp proposes, with Division concurrence, to directly assign the contract to the Utah jurisdiction for ratemaking purposes. We do not address this recommendation in this Docket. Further, the Division and Magcorp recommend consideration of the Magcorp agreement as experimental or as a pilot for further study of cost-of-service pricing for interruptible service.

A Single, Integrated Contract Versus Two Separate Agreements

All parties analyze the rate for interruptible service to Magcorp through a single, integrated agreement rather than as PacifiCorp proposes, a firm rate for electricity sales to Magcorp coupled with an additional agreement for payments to Magcorp for service interruption. PacifiCorp argues for its two-agreement approach based on its experience of the volatility and change in the value of interruption that can occur over time, and therefore the difficulty of assigning an unchanging value to it for the term of a contract. Since the term proposed by all parties for this agreement is less than three years, we view the risk of fixing a value today for interruption as less consequential than in the case of a longer-term contract. Support for this view comes from party recommendations to treat the Magcorp contract as experimental, subject to adjustment going forward. We conclude that a single, integrated agreement is reasonable.

Contract Term

All parties support a short-term agreement ending December 31, 2004. Due to the uncertain value of interruption on this record, we agree that this short term is reasonable. Based on this record, we are unsure of the number of hours of interruptibility required to justify a 21-mill per kilowatt-hour price, and conclude that a provision to reopen the contract to make adjustments, if study shows it to be necessary, is appropriate.

Price for Electric Service

Magcorp witnesses testify that the contract price for electric service from PacifiCorp, coupled with its proposed terms and conditions, cannot exceed $21 per megawatt-hour (21 mills per kilowatt-hour) if the Company is to successfully exit bankruptcy. They believe that a price greater than this will deter interested bankruptcy parties, thus ending Magcorp's operations. Under questioning, Magcorp witnesses acknowledge that factors other than the price of electricity influence the bankruptcy proceedings and the prospects of avoiding bankruptcy liquidation. Indeed, Magcorp's witnesses testify that even if the Commission sets the price for electricity at 21 mills per kilowatt-hour, the price Magcorp desires, the Company may still be unsuccessful in maintaining operations or emerging from bankruptcy.

All other parties describe terms and conditions which they state could render compensating value to PacifiCorp and its firm retail customers from sales to Magcorp in the $21 to $25 per megawatt-hour range. For reasons stated below, we approve a $21 per megawatt-hour rate for service to Magcorp, coupled with the terms and conditions of interruptibililty we adopt in this order.

Our justification for a 21 mill per kilowatt-hour rate is based on the record before us, which contains embedded cost-of-service analyses of the value of interruptibility.

PacifiCorp, the Division, and the Committee each introduces embedded-cost analysis to support its views of appropriate interruption price and terms. Each of these embedded-cost analyses is consistent with prior Commission rulings. Magcorp also provides an embedded-cost analysis to support its proposed terms, but proposes alterations which reduce cost of service. As noted by other witnesses, Magcorp's embedded cost-of-service proposals are ad hoc adjustments rather than coherent arguments for changes in allocation factors, the real basis of the cost-of-service results Magcorp disputes. Moreover, a critique of the results of an embedded-cost analysis must consider the impact of modifications on the entire customer base, not just a single customer. On the record before us, we will not adopt Magcorp's modifications. Instead, we employ the analyses of PacifiCorp, the Division and the Committee to define the areas within which we can consider the value of interruptibility.

Magcorp and the Division provide testimony concerning the application of the regulatory principle of gradualism in price changes. They testify that Magcorp price increases should be gradual rather than abrupt. We acknowledge that the concept of gradualism is a consideration and has been applied in past rate cases. We believe it is appropriate to price Magcorp's service at $21 per megawatt-hour, which can be viewed as a gradual increase in the price Magcorp has paid. Given a $21 price, we must arrive at a level of interruption which provides sufficient cost reduction to justify that price.

Interruption Terms and Conditions

Time of day and year for interruption. All parties agree that interruption is of greatest value during the super peak hours of 1:00 pm to 9:00 pm, mountain daylight time. All parties also agree that interruption during the summer months has greatest value. All parties agree that the greater the number of months of interruptibility, the more likely interruption will reduce system cost by reducing monthly coincident peak demand.

Some testimony indicates that when the value of interruption is based on average embedded costs, a $21 per megawatt-hour price requires eight months of interruption, with eight hours of interruption per peak day. Interruption over fewer months implies that the value of interruption, in terms of the costs PacifiCorp avoids, must be higher than average embedded cost. Because the cost of power is highest during peak hours of the summer months, to capture system cost efficiencies that may be greater than average embedded cost we conclude that Magcorp's load should be subject to interruption during the super peak hours of the summer months of June, July, August and September. To mitigate the impact on Magcorp and in recognition of the need for further study, we also conclude that in 2002, only the months of July and August will be subject to interruption. Magcorp has indicated that it has the ability to hedge its risk over this two-month period.

Duration and notice provisions for interruption, and buy-through rates, terms and conditions. The parties disagree on the number of hours per interruption necessary to justify a 21-mill rate for power. Magcorp argues two hours may be adequate. PacifiCorp argues for eight hours, though acknowledging six may be sufficient, to ensure that interruption occurs at the time of the coincident peak, and reduces rather than simply shifts that peak to a different hour. The Division assumes eight hours is required, but testifies that further study is necessary for confirmation.

In attempting to show what hours are required to ensure that interruptibility has value, Magcorp reviews PacifiCorp's past power costs, picks high-cost periods as those during which Magcorp could have been interrupted, sums the identified power costs, and equates this to the value of interruptibility. Other witnesses question whether this approach accurately characterizes the value of interruptibility. Identifying optimum interruption periods in the past, when data already shows peak, highest cost load periods, is not the same as selecting the proper time for future interruption. Data for future peak periods and associated costs is not available until they have passed. One must therefore predict the optimum time for a future interruption. That is the reason PacifiCorp and the Division specify an interruption window of eight hours per day: it is necessary to ensure a high probability that interruption will occur during the actual peak times of the day. Magcorp's initial testimony also uses an eight-hour window for its July and August interruption option. As noted, Pacificorp testified that an interruption period of six hours per day, six days per week, may provide a sufficiently high probability of success to obtain a value for interruption which could support the low price for electricity sought by Magcorp.

Magcorp plant processing operations place constraints on resolving this dispute as do other terms of interruption like the length of notice prior to interruption and the option for Magcorp to buy-through an interruption at its own cost rather than interrupt its load.

While a processing cell at the Magcorp plant can be shut down with adequate notice, the operational aspects of an electric generation and transmission system obtain greater value from interruptions which can be achieved on comparatively shorter notice. Magcorp's witnesses testify that plant operations may be able to sustain an interruption lasting two hours. If electricity were not available for a period longer than two hours, processing facilities may be harmed and Magcorp could incur additional expense. While obviously desiring as much advance notice of an interruption as possible, Magcorp testifies that it is willing to accept short notice of interruptions to increase value to PacifiCorp's operations. This increased value can then justify a lower price for electric service. Party recommendations attempt to accommodate the conflicting drivers of providing notice of interruptions, short duration of interruption and planning opportunities that could lessen Magcorp service rates, while also providing planning and interruption opportunities that reduce the cost of providing utility service. We conclude that since Magcorp can respond to a two-hour notice, and since this shorter notice has value to PacifiCorp, we adopt a two-hour notice.

In an effort to address the impacts on Magcorp's physical plant facilities and production processing, no party opposes a contract provision which would allow Magcorp to buy-through a proposed interruption. In a buy-through situation, Magcorp has the opportunity to weigh the costs it incurs in accepting an actual interruption of electricity to its plant compared to the costs of continuing processing operations with "alternative" electricity. This alternative electricity would be delivered by Pacificorp to the Magcorp plant in lieu of a physical interruption of electric power. Its source would vary, based upon available generation sources and transmission capabilities at the time of the proposed interruption.

While a buy-through provision can address some of Magcorp's needs, it also raises another area of contention between Magcorp and PacifiCorp, the price for such power.

Costs are incurred in securing and delivering electric power when Magcorp elects to buy-through. All parties agree that compensation must be paid for electricity that is delivered when Magcorp elects to buy through, rather than have no electricity delivered. Magcorp and PacifiCorp witnesses testify that a price based upon an existing electric power index would provide Magcorp with the cost information needed when deciding whether to buy-through an interruption. Other witnesses believe that the actual costs to secure and deliver electricity during a buy-through situation likely will vary from an index price.

We will authorize a buy-through provision in the contract at a rate based on a published index. When buy-through occurs, PacifiCorp must remove Magcorp's load from operational data in order to recognize reduction in load for system and jurisdictional cost-of-service purposes.

Based on the current record and these decisions, we agree that the eight- or six-hour interruptibility period is needed. All witnesses agree that there is little information upon which to make an evaluation of the predictive capability of shorter interruption periods. This is a reason further study is required. In Magcorp's view, service under a new contract should be viewed as an experiment to test the validity of current views and analyses relative to the impact of interruptibility on PacifiCorp's system operation and costs, develop better operational tools or procedures to capture the benefits of interruptibility, and develop better methods to determine the value of interruption.

All witnesses agree that, based on the present record, there is no single, definitive way to resolve these issues. They have reached different recommendations for interruption and its value. They also present various proposals of terms and conditions which they believe could translate the value of interruptibility into a service contract which results in a just and reasonable rate for electricity delivered to Magcorp. Consequently, the Commission finds value in approving rates, terms and conditions for Magcorp that will be considered experimental.

Accordingly, we conclude that the six hour, five days per week, July and August interruption scenario be used in the year 2002, and the six hour, five days per week in June, July, August and September interruption scenario be used in 2003, and thereafter unless the contract is reopened. We establish a task force to study the value of interruption and in addition to report to the Commission on the adequacy of the terms of this contract. A reopener to the contract will be allowed no earlier than December 31, 2003, if changes are warranted.

ORDER

Based upon the foregoing, the Commission orders as follows:

1. PacifiCorp and Magcorp shall submit a written contract for Commission approval, incorporating the decisions made in this order, providing the terms and conditions for electric service to Magcorp.

2. The Division of Public Utilities shall initiate and undertake a study of the benefits of interruptible service and how they may be captured to the advantage of PacifiCorp and its customers, consistent with the public interest. The Division of Public Utilities shall also monitor

and analyze the operational performance of the interruptible service provided to Magcorp and provide an annual report to the Commission, beginning October 31, 2002. This report should provide information comparing results of operation with anticipated benefits and recommendations on appropriate terms and conditions of service as analyzed experience with this interruptible load is gained. Interested parties should contact the Division of Public Utilities to participate in the study and, to the extent appropriate, in the analysis of the Magcorp experiment.

DATED at Salt Lake City, Utah, this 24th day of May, 2002.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#29616

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of PACIFICORP, dba Utah Power & Light Company for Approval of Provisions for the Supply of Electric Service to Magnesium Corporation of America.	)))))	DOCKET NO. 01-035-38 ORDER ON PETITIONS FOR RECONSIDERATION

ISSUED: July 2, 2002

By the Commission:

On May 24, 2002, this Commission issued an order (May 24th Order) resolving various disputes relating to the terms by which PacifiCorp provides electric service to Magnesium Corporation of America (Magcorp). On June 13, 2002, PacifiCorp filed a Petition for Reconsideration, Rehearing and Clarification of our May 24th Order. On June 13, 2002, Magcorp also filed a Request for Limited Review or Reconsideration of the same order. On June 24, 2002, PacifiCorp, Magcorp and the Committee of Consumer Services filed responses to the June 13th filings. By this order, we respond to a limited number of the matters raised in the June 13th requests for reconsideration.

PacifiCorp asks that the Commission modify the May 24th Order and establish the interjurisdictional allocations associated with the service contract for Magcorp. Interjurisdictional allocations is the subject being pursued in Docket No. 02-035-04. That docket is a multistate proceeding, involving PacifiCorp jurisdictions, to address interjurisidictional allocation issues and endeavoring to reach jurisdictional consensus on such matters; including the proper criteria, and their application, concerning the interjurisdictional allocation of special contracts such as the one with Magcorp. We look to that docket, rather than this docket, as the forum in which to arrive at the appropriate allocation process, applicable across PacifiCorp's entire operational territory, to be applied to special contracts for interruptible customers.

Because of the seemingly limited ability of the participants in this docket to derive measures and methodologies to evaluate, with certainty, the operational benefits of interruptible service for Magcorp and the current difficulty in estimating the true value which is to be obtained from such service, our May 24th Order approached service to Magcorp as an experiment. It is an opportunity for PacifiCorp, regulators and customers to develop measurement and estimation tools and methodologies to determine the specific values that can be obtained from interruptible service. It is also an opportunity to gain experience with such tools and methodologies and confidence that they consistently provide a value estimate which is reflective of actual benefits obtained. Interruptibility is generally touted as providing system benefits, permitting the utility to avoid the expense of having to provide or obtain power during high cost periods. The proceedings in this docket have shown that there is limited ability to move from the generalities to the specifics of interruptible service to a customer. Because of the experimental approach in which we cast service to Magcorp and to avoid the attendant uncertainty, we will allow the use of *situs* treatment of the Magcorp contract pursuant to the terms of our May 24th Order. We do so in recognition of Utah's initiation of this limited experiment and the unsettled nature of the issue pending in the other proceedings.

Both PacifiCorp and Magcorp request clarification concerning the six-hour interruption period specified in our May 24th Order. Our intent is that PacifiCorp may interrupt service, for whatever reason, during a six hour, continuous block of time during each day.

Magcorp requests that we address or clarify other aspects of our May 24th Order as well. We believe it appropriate to address two of the areas to clarify the intent of our May 24th Order. We intend that the terms concerning price index and shaping factors contained in the QF contract between the parties and those terms in the power supply contract, with the buy-through option, be consistent. If there is merit to using different shaping factors in the power supply contract than the seasonal shaping factors proposed in the QF contract, the QF contract shaping factors may be changed to be consistent with those to be used in the power supply contract. Our intent is to avoid or reduce the opportunity of either party to arbitrage between the two contracts.

We intend that the study of interruptible service ordered in the May 24th Order be open to the participation of all interested parties. We decline, however, to make the detailed specifications requested by Magcorp. The identification of relevant information will occur as the study is initiated and conducted by the Division of Public Utilities. Development of the appropriate areas of exploration to further the purposes of the study and reports and the identification of the likely sources and forms of information that will be useful to these ends will occur as the Division develops its analytical approach and identifies the course of the study and reporting topics it intends to pursue. We suspect that this will be fine tuned as the Division and participants proceed with the study and prepare to make the reports, which will occur over the course of the contract with Magcorp. While the experience with Magcorp will be a potential source of useful information, it is not our intent that the study and reports focus or rely solely on the Magcorp experience. While we intend that all interested parties be able to participate in the process, to identify areas of inquiry and the investigative approaches the Division's undertaking should follow. It is premature, at this time, to prepare a litany of the specific information that should be used in making the study and in preparing the reports, and how such information is to be gathered and disseminated.

DATED at Salt Lake City, Utah, this 2nd day of July, 2002.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
GW# 29992

Commission establish a task force to study these issues.

All other parties acknowledge that interruption of the Magcorp load can lower system cost, but differ on the conditions necessary to achieve the lower cost. PacifiCorp's initial testimony recommends service to Magcorp at the firm service rate of 30.2 mills per kilowatt-hour. It then proposes to treat interruption under a separate agreement as a power purchase by PacifiCorp from Magcorp. PacifiCorp proposes to directly assign the costs of serving Magcorp to the Utah jurisdiction, a departure from the past practice of allocating these costs system wide to match the system wide benefits of interruption. PacifiCorp opposes including a price discount for interruptibility in one electric service agreement because that would assign a fixed value to potential interruptions, even though the value of interruption may vary, over the term of the agreement. If, in the alternative, a single contract is executed, PacifiCorp testifies that the terms and conditions of interruption necessary to justify a 21-mill rate require the potential to interrupt Magcorp eight months of the year, eight hours per day, six days per week, or a total of 1,600 hours per year. Otherwise, shareholders or other customers will be adversely affected. This is based on its embedded cost-of-service analysis. PacifiCorp later testifies that subsequent statistical analysis indicates six hours per day may be enough to justify this rate. This amounts to 1,200 hours per year of potential interruption. The term of this recommended agreement ends December 31, 2004. PacifiCorp proposes day-ahead interruption notice but indicates that the shorter the notice, the greater the value of interruption.

Based on its embedded cost-of-service analysis, the Division states that a rate for an integrated contract priced in the 21-mill range, to be compensatory, would require interruption